CLOSED

UNITED STATES DISTRICT COURT DISTRICT OF NEW JERSEY

STAYINFRONT, INC. and NAP

ASSOCIATES, LLC,

Civil Action No. 05-4563 (SRC)

Plaintiffs, : ORDER

v.

WARREN TOBIN, individually and in his capacity as the Director of Tobin Family Limited, JEANETTE TOBIN, in her capacity as director of Tobin Family Limited, et al.,

Defendants.

CHESLER, District Judge

This matter comes before this Court following the Report and Recommendation ("R&R") filed on June 19, 2008 by Magistrate Judge Michael A. Shipp, pursuant to Fed. R. Civ. P. 72(b) and L. Civ. R. 72.1(a)(2). (Docket item # 100.) The R&R concerns Plaintiffs' motion for final judgment by default and for an award of compensatory and punitive damages against Defendants (docket item # 93). The Court had referred the motion to Judge Shipp for an R&R pursuant to 28 U.S.C. § 636(b)(1) and Federal Rule of Civil Procedure 72(b). Following the issuance of an initial R&R by Judge Shipp on March 25, 2008 (docket item # 96), Plaintiffs filed an objection (docket item # 98). Upon review of the objection, the Court recommitted the motion to Judge Shipp for modification of the R&R consistent with Plaintiffs' objection.

Presently before this Court is the Magistrate Judge's June 19, 2008 R&R. The R&R recommends that the Court grant Plaintiffs' motion for final judgment by default. It further recommends that the Court award Plaintiffs compensatory damages totaling \$1,307,535.67. The R&R recommends that this Court order that Defendants Warren Tobin and Tobin Family Limited are jointly and severally liable for the entire amount, which represents the sum of the consideration paid under the Stock Purchase and Severance Agreements (\$944,310.90) and attorneys fees incurred by Plaintiffs for both the New Jersey and New Zealand actions (\$363,224.74) and that Defendants Matthew Young ("Young") and Employment Associates Limited ("EAL") are jointly and severally liable for \$363,224.74, the portion of the award representing the attorneys' fees for the New Jersey and New Zealand actions. Finally, the R&R recommends that the Court deny Plaintiffs' request for punitive damages against Defendants Young and EAL.

Title 28 U.S.C. § 636(b)(1) authorizes a district judge to designate a magistrate judge to conduct hearings and submit proposed findings of fact and recommendations for the disposition of certain motions. 28 U.S.C. § 636(b)(1) Within ten days of being served with the magistrate judge's Report and Recommendation, any party may file objections to the Report and Recommendation. Id. The statute provides that, in the event an objection is submitted,

[a] judge of the court shall make a de novo determination of those portions of the report or specified proposed findings or recommendations to which objection is made. A judge of the court may then accept, reject, or modify, in whole or in part, the findings or recommendations made by the magistrate judge. The judge may also receive further evidence or recommit the matter to the magistrate judge with instructions.

<u>Id.</u> The time for filing objections to the June 19, 2008 R&R has expired, and no objections were

submitted. This Court has reviewed the June 19, 2008 R&R. It agrees with Judge Shipp's analysis and conclusion. Therefore,

IT IS on this 10th day of July, 2008,

ORDERED that Magistrate Judge Shipp's June 19, 2008 R&R (Docket Entry # 100) is adopted as the opinion of the Court; and it is

ORDERED that Plaintiffs' motion for entry of final judgment be and hereby is **GRANTED**; and it is further

ORDERED that judgment against Defendants be and hereby is entered; and it is further **ORDERED** that Plaintiffs are awarded compensatory damages in the total amount of \$1,307,535.67; and it is further

ORDERED that Defendants Warren Tobin and Tobin Family Limited be and hereby are liable, jointly and severally, for \$1,307,535.67 of the award; and it is further

ORDERED that Defendants Matthew Young and Employment Associates Limited are liable, jointly and severally, for \$363,224.74 of the award; and it is further

ORDERED that Plaintiffs' application for an award of punitive damages be and hereby is **DENIED**; and it is further

ORDERED that this case shall be marked **CLOSED**.

s/ Stanley R. Chesler
STANLEY R. CHESLER
United States District Judge